LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7468 **DATE PREPARED:** Jan 30, 2001
BILL NUMBER: SB 337 **BILL AMENDED:** Jan 30, 2001

SUBJECT: Regulated Structures.

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FUNDS AFFECTED: **GENERAL** **IMPACT:** State & Local
X DEDICATED
FEDERAL

Summary of Legislation: This bill defines "noise sensitive purpose". It creates notice requirements for regulated tall structure permits and permits for construction in a noise sensitive area. The bill requires that a permit for construction in a noise sensitive area be filed with the county recorder of the county in which the structure is erected.

It provides that a permit for construction in a noise sensitive area is valid only after the Indiana Department of Transportation (INDOT) receives a copy of the recorded permit containing the seal of the county recorder. The bill requires the Indiana Department of Transportation to consider a permit for a regulated structure for 60 days before making a final determination. It requires an applicant for a regulated tall structure permit or a construction in a noise sensitive area permit to provide written evidence to the Department that the structure will not violate certain obstruction standards.

This bill applies obstruction standards to both existing airports and heliports and to an expansion of an airport or heliport certified by a licensed professional engineer. It requires that a permit from the Indiana Department of Transportation must be approved for a regulated tall structure before a zoning change may be made for land for the structure.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The total estimated cost for FY 2002 is $110,102. This assumes that training and equipment, described below, will be purchased in FY 2002. The total cost for FY 2003 is estimated at $81,435. The fund affected is the State Highway Fund.

Background: This proposal requires the INDOT Aeronautics Section to perform an evaluation of structures that the FAA does not evaluate. The INDOT reports that they do not have the necessary staff to conduct the evaluation and, therefore, they would need an additional Engineer II at a cost of about $80,102 for FY 2002 and $81,435 in FY 2003.

In addition, there would be training required at an estimated cost between $5,000 and $10,000, and a computerized database to track the towers. The cost of the computerized database is estimated between $10,000 and $20,000. The total estimated cost for FY 2002 is $110,102. This assumes the training and equipment will be purchased in FY 2002. The total cost for FY 2003 is estimated at $81,435. The fund affected is the State Highway Fund.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. In FY 2000, the INDOT reverted $5,738,942 from their operations accounts. In the budget submitted for the 2001-2003 biennium, the INDOT has a total of 391 vacancies, with 372 funded. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

The Aeronautics Section of the INDOT reports that they do not perform an actual aeronautical study on the tall structures applications. The Federal Aviation Administration (FAA) does the study and INDOT relies on FAA's determination. In a discussion with the FAA Great Lakes Regional Office, the INDOT was told that a significant amount of research is done by several parts of the FAA. Currently, six branches of the FAA review tall structure applications. They are:

1) FAA Air Traffic - Reviews the structure to see any potential impact that it will have on existing air traffic systems.
2) FAA Airports - Apply three of five airport surfaces to the structure to determine impact. This means that the FAA assures that any proposed structure is not too tall or too close to an airport. The surfaces referred to are the defined slopes that extend outward and upward from various points located about the airport.
3) FAA Flight Procedures - Apply the other two of five airport surfaces that deal with IFR (instrument flight rules) to the structure to determine impact. In other words, this division assures that the structure will not have an adverse safety impact on aircraft that are operating in clouds and during times of low visibility.
4) FAA Flight Standards - Look at any structure that is over 500 feet tall.
5) FAA Airway Facilities - Look at the impact that the structure will physically have on existing navigational aids and communication equipment. They determine whether the structure will physically block the radio waves.
6) FAA Frequency Management - Any electronic interference that the new structure frequencies may have on existing navigational aids and communication equipment.

Additionally, the Army, Air Force, and Navy look at the structure for impact on national security.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Transportation-Aeronautics Section.

Local Agencies Affected: County Recorder.

Information Sources: Maria Muia, Director of the Aeronautics Section of the Department of Transportation, 232-1477.